

STATE OF SOUTH CAROLINA

(Caption of Case)

Petition for Approval of NPCR, Incorporated d/b/a
Nextel Partners' Adoption of the Interconnection
Agreement between Sprint Communications, L.P./
Sprint Spectrum L.P. d/b/a Sprint PCS and BellSouth
Telecommunications, Incorporated d/b/a AT&T South
Carolina d/b/a AT&T Southeast

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

DOCKET
NUMBER: 2007 - 256 - C

(Please type or print)

Submitted by: Patrick W. Turner

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DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition☐ Request for item to be placed on Commission's Agenda expeditiously☒ Other: Prefiled Direct Testimony of P.L. (Scot) Ferguson

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)			
<input type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input checked="" type="checkbox"/> Letter	<input type="checkbox"/> Request	
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification	
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation	
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement	
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment	
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter	
<input type="checkbox"/> Gas	<input checked="" type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response	
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery	
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition	
<input checked="" type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation	
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input checked="" type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena	
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff	
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input checked="" type="checkbox"/> Other: Exhibits	
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest		
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit		
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report		

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October 30, 2007

The Honorable Charles Terreni
Chief Clerk of the Commission
Public Service Commission of South Carolina
Post Office Drawer 11649
Columbia, South Carolina 29211

Re: In the Matter of Petition for Approval of Nextel South Corp.'s Adoption of the Interconnection Agreement Between Sprint Communications L.P., Sprint Spectrum L.P. d/b/a Sprint PCS and BellSouth Telecommunications, Inc. d/b/a AT&T South Carolina, d/b/a AT&T Southeast
Docket No. 2007-255-C

In the Matter of Petition for Approval of NPCR, Inc. d/b/a Nextel Partners' Adoption of the Interconnection Agreement Between Sprint Communications L.P./Sprint Spectrum L.P., d/b/a Sprint PCS and BellSouth Telecommunications, Inc. d/b/a AT&T South Carolina, d/b/a AT&T Southeast
Docket No. 2007-256-C

Dear Mr. Terreni:

Enclosed for filing are an original and one (1) copy of BellSouth Telecommunications, Inc.'s d/b/a AT&T South Carolina ("AT&T") Direct Testimony of P. L. (Scot) Ferguson in the above-referenced matters.

By copy of this letter, I am serving all parties of record with a copy of this testimony as indicated on the attached Certificate of Service.

Sincerely,

Patrick W. Turner

PWT/nml
Enclosure
cc: All Parties of Record
DM5 #694427

THIS DOCUMENT IS AN EXACT DUPLICATE OF THE E-FILED COPY SUBMITTED TO THE COMMISSION IN ACCORDANCE WITH ITS ELECTRONIC FILING INSTRUCTIONS.

1 AT&T SOUTH CAROLINA'S
2 DIRECT TESTIMONY OF P.L. (SCOT) FERGUSON
3 BEFORE THE PUBLIC SERVICE COMMISSION
4 OF SOUTH CAROLINA
5 DOCKET NOS. 2007-255-C & 2007-256-C
6 OCTOBER 30, 2007

7
8 Q. PLEASE STATE YOUR NAME, YOUR POSITION WITH AT&T, AND
9 YOUR BUSINESS ADDRESS.

10
11 A. My name is Scot Ferguson. I am employed by AT&T Wholesale as an Associate
12 Director in the Customer Care organization. As such, I am responsible for certain
13 issues related to wholesale policy, primarily related to the general terms and
14 conditions of interconnection agreements throughout AT&T's operating regions,
15 including South Carolina. My business address is 675 West Peachtree Street,
16 Atlanta, Georgia 30375.

17
18 Q. PLEASE SUMMARIZE YOUR BACKGROUND AND EXPERIENCE.

19
20 A. I graduated from the University of Georgia in 1973, with a Bachelor of
21 Journalism degree. My career spans over 33 years with Southern Bell, BellSouth
22 Corporation, BellSouth Telecommunications, Inc., and AT&T. During that time,
23 I have held positions in sales and marketing, customer system design, product

1 management, training, public relations, wholesale customer support, regulatory
2 support, and my current position as a corporate witness on wholesale policy
3 issues.

4
5 Q. HAVE YOU PARTICIPATED IN REGULATORY PROCEEDINGS IN THE
6 PAST?

7
8 A. Yes. I have filed testimony and appeared as a witness before the regulatory
9 bodies in all nine states of the former BellSouth Telecommunications region. I
10 appeared before this Commission most recently in August 2007 in the AT&T-
11 Sprint arbitration case. As explained below, the status of that case has a
12 significant impact on this proceeding.

13
14 Q. WHAT RELIEF IS NEXTEL SEEKING IN THIS DOCKET?

15
16 A. Nextel¹ is seeking an Order approving its request for adoption of the “existing
17 interconnection agreement between AT&T South Carolina and Sprint dated
18 January 1, 2001 and initially approved by the Commission in Docket No. 2000-
19 23-C.” *See* Respective Petitions at p. 8.

20
21 Q. WHAT IS AT&T SOUTH CAROLINA’S POSITION ON NEXTEL’S
22 REQUEST?

¹ As used in my testimony, “Nextel” refers collectively to Nextel South Corporation and NPCR, Inc., d/b/a Nextel Partners.

1 A. Nextel is not entitled to the relief it seeks.

2

3 Q. HOW IS YOUR TESTIMONY ORGANIZED?

4

5 A. My testimony is organized in three sections. First, I will address the status of the
6 Sprint interconnection agreement that Nextel seeks to adopt. Second, I will
7 discuss facts that support AT&T's legal position regarding the Merger
8 Commitments upon which Nextel erroneously relies. Third, I will discuss facts
9 that support AT&T's legal position that Section 252(i) of the federal
10 Telecommunications Act of 1996 ("the 1996 Act) does not allow Nextel to adopt
11 the Sprint interconnection agreement.

12

13 **I. STATUS OF THE SPRINT INTERCONNECTION AGREEMENT**

14

15 Q. WHAT IS THE STATUS OF THE SPRINT INTERCONNECTION
16 AGREEMENT THAT NEXTEL SEEKS TO ADOPT?

17

18 A. AT&T believes that the Sprint interconnection agreement has expired. Sprint and
19 Nextel disagree with AT&T. In the recent AT&T-Sprint arbitration docket, the
20 Commission declined to rule on the matter, appropriately determining that "Sprint
21 may present [the] issue to the FCC for a ruling." *See* Order No. 2007-683 in
22 Docket No. 2007-215-C at 10. The extent to which Sprint can continue operating
23 under that interconnection agreement is therefore uncertain.

1 Q. HOW DOES THAT UNCERTAINTY IMPACT NEXTEL'S REQUEST IN
2 THIS DOCKET?

3

4 A. A party seeking to adopt an interconnection agreement (in this case, Nextel) can
5 have no more and no fewer rights under the agreement than the original party (in
6 this case, Sprint). The Commission, therefore, should take no action on Nextel's
7 request in this docket until the FCC rules on the extent to which Sprint may
8 continue operating under the AT&T-Sprint interconnection agreement that Nextel
9 seeks to adopt.

10

11 II. THE MERGER COMMITMENTS

12

13 Q. WITHOUT WAIVING AT&T'S POSITION THAT THE COMMISSION
14 SHOULD NOT RULE ON NEXTEL'S PETITION UNTIL THE FCC RULES
15 ON THE EXTENT TO WHICH SPRINT MAY CONTINUE OPERATING
16 UNDER THE AT&T-SPRINT INTERCONNECTION AGREEMENT, PLEASE
17 EXPLAIN WHAT YOU MEAN BY MERGER COMMITMENTS.

18

19 A. The FCC's Order approving the merger of AT&T Inc. and BellSouth Corporation
20 contains, as Appendix F, a number of commitments the FCC considered in

1 approving the merger.² Exhibit PLF-1 to my testimony is a copy of Appendix F
2 to the FCC's Merger Order.

3
4 Q. DOES NEXTEL RELY ON ANY OF THESE MERGER COMMITMENTS IN
5 THIS DOCKET?

6
7 A. Yes. In letters to AT&T South Carolina dated May 18, 2007, and in its Petition,
8 Nextel claims to rely on two of these merger commitments as the basis for its
9 request to adopt the Sprint interconnection agreement.³

10
11 Q. UPON WHICH SPECIFIC MERGER COMMITMENTS DOES NEXTEL
12 RELY?

13
14 A. Nextel relies on the first two Merger Commitments under the heading "Reducing
15 Transaction Costs Associated with Interconnection Agreements." These
16 commitments provide that:

17
18 1. The AT&T/BellSouth ILEC shall make available to any
19 requesting telecommunications carrier any entire effective
20 interconnection agreement, whether negotiated or arbitrated, that

² See Memorandum Opinion and Order, *In the Matter of AT&T, Inc. and BellSouth Corporation Application for Transfer of Control*, 22 F.C.C.R. 5662 at ¶222, Appendix F (March 26, 2007)("Merger Order").

³ See Exhibits MGF-5 and MGF-6 to Sprint witness Mark Felton's Direct Testimony; Respective Petitions at ¶10.

1 an AT&T/BellSouth ILEC entered into in any state in the
2 AT&T/BellSouth 22-state ILEC operating territory, subject to
3 state-specific pricing and performance plans and technical
4 feasibility, and provided, further, that an AT&T/BellSouth ILEC
5 shall not be obligated to provide pursuant to this commitment any
6 interconnection arrangement or UNE unless it is feasible to
7 provide, given the technical, network, and OSS attributes and
8 limitations in, and is consistent with the laws and regulatory
9 requirements of, the state for which the request is made.
10

11 2. The AT&T/BellSouth ILECs shall not refuse a request by a
12 telecommunications carrier to opt into an agreement on the ground
13 that the agreement has not been amended to reflect changes of law,
14 provided the requesting telecommunications carrier agrees to
15 negotiate in good faith an amendment regarding such change of
16 law immediately after it has opted into the agreement.
17

18 Q. DOES AT&T BELIEVE IT IS APPROPRIATE FOR NEXTEL TO RAISE
19 THESE MERGER COMMITMENTS IN THIS DOCKET?
20

21 A. No. As explained in AT&T South Carolina's Motion to Dismiss, and as will be
22 further addressed in AT&T South Carolina's post-hearing briefs, AT&T South
23 Carolina believes that only the FCC can address these merger commitments.

1 Q. WITHOUT WAIVING THIS LEGAL POSITION, DOES THE FIRST MERGER
2 COMMITMENT SUPPORT THE RELIEF REQUESTED BY NEXTEL?

3

4 A. No. The first Merger Commitment applies only when a carrier wants to take an
5 interconnection agreement from one state and operate under that agreement in a
6 different state (which often is referred to as “porting” an agreement from one state
7 into another state). That is why the commitment contains language such as
8 “subject to state-specific pricing and performance plans and technical feasibility,”
9 and “consistent with the laws and regulatory requirements of the state for which
10 the request is made.” This language is necessary only when an agreement that
11 was approved in one state is ported into another state.

12

13 Q. PRIOR TO THIS MERGER COMMITMENT, DID CARRIERS HAVE THE
14 RIGHT TO PORT AN AGREEMENT FROM ANOTHER STATE INTO
15 SOUTH CAROLINA?

16

17 A. No. Carriers had the right to adopt agreements that had been approved in South
18 Carolina consistent with the provisions of 47 U.S.C. § 252(i) and the FCC’s rules
19 implementing those provisions. Prior to this Merger Commitment, however, a
20 carrier did not have the right to port an agreement from another state into South
21 Carolina.

22

23 Q. WHY IS THAT SIGNIFICANT?

1 A. Purely from a layman's perspective, it further demonstrates that this Merger
2 Commitment does not address the in-state adoption rights carriers already had.
3 Instead, this Merger Commitment provides carriers certain state-to-state porting
4 rights that they previously did not have.

5
6 Q. IS NEXTEL SEEKING TO PORT AN AGREEMENT FROM ANOTHER
7 STATE INTO SOUTH CAROLINA?

8
9 A. No. Instead, as Sprint's witness Mr. Felton states in his direct testimony (page 7,
10 line 29), "Nextel is seeking to adopt the very interconnection agreement that has
11 already been approved by this Commission"

12
13 Q. DOES THE SECOND MERGER COMMITMENT SUPPORT THE RELIEF
14 REQUESTED BY NEXTEL?

15
16 A. No. While the second Merger Commitment (unlike the first) applies to in-state
17 adoption requests, it has no bearing on Nextel's request. This Merger
18 Commitment simply states that under specified conditions, AT&T South Carolina
19 "shall not refuse a request . . . to opt into an [interconnection] agreement on the
20 ground that the agreement has not been amended to reflect changes of law."
21 AT&T does not dispute that the Sprint agreement has been amended to reflect
22 changes of law, and as explained below, AT&T's denial of Nextel's opt-in request
23 is not based on any "change of law" issues.

1 the agreement” because the Sprint agreement addresses a unique mix of wireline
2 and wireless items. Nextel, however, provides only wireless service and, in fact,
3 is not even certificated to provide wireline services in South Carolina. Third,
4 allowing Nextel to adopt the Sprint interconnection agreement would result in an
5 agreement that could appear to be contrary to FCC rulings and internally
6 inconsistent.

7
8 These reasons are primarily legal in nature, and AT&T’s attorneys will fully
9 address them in post-hearing briefs and, if appropriate, oral argument. My
10 testimony provides the Commission with facts that support these legal positions.

11
12 Q. WAS THE SPRINT INTERCONNECTION AGREEMENT SUBMITTED TO
13 THE COMMISSION?

14
15 A. Yes. Exhibit PLF-2 is a copy of the January 10, 2000 letter submitting the Sprint
16 interconnection agreement to the Commission.

17
18 Q. WAS THE SPRINT INTERCONNECTION AGREEMENT APPROVED BY
19 THE COMMISSION?

20 Q. Yes. Exhibit PLF-3 is a copy of the January 24, 2000 letter from the Commission
21 stating that it approved the agreement.

1 Q. WHEN DID NEXTEL FIRST SEEK TO ADOPT THE SPRINT
2 INTERCONNECTION AGREEMENT?

3
4 A. On May 18, 2007, as Sprint's witness Mr. Felton states in his direct testimony (at
5 page 8, line 6). This was nearly six and a half years after the Commission
6 approved the Sprint interconnection agreement, and it was nearly three years after
7 Sprint and AT&T South Carolina began negotiating a successor interconnection
8 agreement. *See* Exhibit PLF-4.

9
10 Q. WHAT TYPES OF INTERCONNECTION, SERVICE, OR NETWORK
11 ELEMENTS ARE PROVIDED UNDER THE SPRINT AGREEMENT?

12
13 A. The expired Sprint interconnection agreement contains negotiated terms and
14 conditions between AT&T South Carolina and the following Sprint entities:
15 wireline providers Sprint Communications Company Limited Partnership and
16 Sprint Communications Company L.P. (collectively referred to as "Sprint
17 CLEC"); and wireless providers Sprint Spectrum L.P. and SprintCom, Inc.
18 (collectively "Sprint PCS"). The Sprint interconnection agreement, therefore,
19 addresses a unique mix of wireline and wireless items (such as traffic volume,
20 traffic types, and facility types), and it reflects the outcome of gives and takes that
21 would not have been made if the agreement addressed only wireline services or
22 only wireless services.

1 Q. IS NEXTEL SEEKING TO ADOPT THE SPRINT INTERCONNECTION
2 AGREEMENT "UPON THE SAME TERMS AND CONDITIONS AS
3 PROVIDED IN THE AGREEMENT?"
4

5 A. No. The terms and conditions of the Sprint interconnection agreement clearly
6 apply only when the non-ILEC parties to the agreement are providing both
7 wireline and wireless services. Nextel, however, does not provide both services
8 in South Carolina.
9

10 Q. DOES NEXTEL PROVIDE WIRELESS SERVICE IN SOUTH CAROLINA?
11

12 A. Yes.
13

14 Q. DOES NEXTEL PROVIDE WIRELINE SERVICE IN SOUTH CAROLINA?
15

16 A. No.
17

18 Q. IS NEXTEL EVEN CERTIFICATED TO PROVIDE WIRELINE SERVICE IN
19 SOUTH CAROLINA?
20

21 A. No.
22

1 Q. DO AT&T SOUTH CAROLINA'S INTERCONNECTION AGREEMENTS
2 TYPICALLY ADDRESS BOTH WIRELINE AND WIRELESS SERVICES?

3

4 A. No. It is rare for a single AT&T South Carolina interconnection agreement to
5 address both wireline and wireless services and, as noted above, the Sprint
6 interconnection agreement reflects the outcome of gives and takes that would not
7 have been made if the agreement addressed only wireline services or only
8 wireless services. Attachment 3, Section 6.1 of the Sprint interconnection
9 agreement, for instance, expressly states that "The Parties' agreement to establish
10 a bill-and-keep compensation arrangement was based upon extensive evaluation
11 of costs incurred by each party for the termination of traffic."

12

13 To allow Nextel to adopt the Sprint interconnection agreement, therefore, would
14 disrupt the dynamics of the terms and conditions negotiated between AT&T
15 South Carolina and the parties to the Sprint interconnection agreement and, in this
16 case, AT&T would lose the benefits of the bargain negotiated with those parties.

17

18 Q. CAN YOU PROVIDE EXAMPLES OF THE BENEFITS OF THE BARGAIN
19 AT&T WOULD LOSE IF NEXTEL WERE ALLOWED TO ADOPT THE
20 SPRINT INTERCONNECTION AGREEMENT?

21

22 A. Yes. The examples I will provide generally pertain to Interconnection
23 Attachment 3 (entitled "Network Interconnection: Call Transport and

1 Termination”) of the expired AT&T-Sprint interconnection agreement with
2 respect to Interconnection Compensation.

3
4 Section 6.1.1 establishes a “bill-and-keep” arrangement for usage on CLEC local
5 traffic, ISP-bound traffic, and wireless local traffic. Bill-and-keep arrangements
6 are unusual for wireless traffic. In fact, I am not aware of any AT&T agreements
7 with stand-alone wireless providers like Nextel that contain a bill-and-keep
8 arrangement.

9
10 Section 2.3.2 establishes a 50/50 split for the cost of interconnection facilities for
11 wireless traffic, or as the agreement states, “[t]he cost of the interconnection
12 facilities...shall be shared on an equal basis.” This particular split is unusual for
13 wireless traffic. In fact, I am not aware of any AT&T agreements with stand-
14 alone wireless providers like Nextel that contain this particular split.

15
16 Similarly, Section 2.9.5.1 establishes a 50/50 split for the cost of interconnection
17 facilities for handling transit traffic, ISP-bound traffic and intraLATA toll traffic
18 for the Sprint CLEC. This particular split is unusual for CLEC traffic. In fact, I
19 am not aware of any AT&T agreements with stand-alone CLEC providers that
20 contain this particular split.

1 Q. AS A PRACTICAL MATTER, HOW DOES AT&T SOUTH CAROLINA
2 IMPLEMENT A CARRIER'S ADOPTION OF AN APPROVED
3 INTERCONNECTION AGREEMENT?

4
5 A. Typically, AT&T South Carolina creates "adoption papers" that have the practical
6 effect of substituting the adopting carrier's name for the original carrier's name
7 throughout the agreement including any amendments, thereby binding the
8 adopting carrier to all the rates, terms and conditions contained in the original
9 agreement. The parties then execute the adoption papers.

10
11 Q. WOULD THAT PROCESS PRESENT PROBLEMS OR CONCERNS WHEN
12 APPLIED TO NEXTEL'S REQUEST?

13
14 A. Yes. As our attorneys can explain in more detail, it would result in an agreement
15 that could appear to be contrary to FCC rulings and internally inconsistent.

16
17 Q. HOW WOULD SUBSTITUTING NEXTEL FOR SPRINT RESULT IN AN
18 AGREEMENT THAT COULD APPEAR TO BE CONTRARY TO FCC
19 RULINGS?

20
21 A. As explained above, both wireless and wireline carriers are parties to the Sprint
22 interconnection agreement. If Nextel were substituted for the original parties to
23 the agreement, therefore, portions of the adopted agreement could appear to

1 erroneously suggest that Nextel could avail itself of provisions in the agreement
2 that apply only to CLECs. To cite but one example, Attachment 2 of the Sprint
3 Agreement allows the Sprint CLEC entities to purchase unbundled network
4 elements (“UNEs”) from AT&T South Carolina. Substituting Nextel for the
5 parties to the Sprint agreement would result in language that could appear to
6 erroneously suggest that Nextel can purchase UNEs from AT&T South Carolina.

7

8 Nextel, however, only provides mobile wireless services in South Carolina, and in
9 its *Triennial Review Remand Order*, the FCC ruled that:

10 Consistent with [the D.C. Circuit Court of Appeal’s opinion in] *USTA II*,
11 we deny access to UNEs in cases where the requesting carrier seeks to
12 provide service exclusively in a market that is sufficiently competitive
13 without the use of unbundling. In particular, we deny access to UNEs for
14 the exclusive provision of mobile wireless services . . .⁴

15 Nextel, therefore, cannot purchase UNEs from AT&T South Carolina.

16

17 Q. HOW WOULD SUBSTITUTING NEXTEL FOR SPRINT RESULT IN AN
18 AGREEMENT THAT COULD APPEAR TO BE INTERNALLY
19 INCONSISTENT?

20

⁴ See Order On Remand, *In the Matter of Unbundled Access to Network Elements Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers*, 20 F.C.C.R. 2533 at ¶34 (February 4, 2005)(emphasis added).

1 A. To cite but one example, the Sprint agreement was amended to bring it into
2 compliance with the FCC's *Triennial Review Order* and *Triennial Review*
3 *Remand Order*. Exhibit PLF-5 to my testimony is a copy of relevant portions of
4 an amendment to the Sprint agreement which as of March 11, 2006, provides that
5 "Sprint shall not obtain a Network Element for the exclusive provision of mobile
6 wireless services or interexchange services." See PLF-5, Exhibit 1, Attachment 2,
7 Page 3, §1.5. If Nextel were allowed to adopt the Sprint agreement, some
8 portions of the adopted agreement could erroneously appear to allow Nextel to
9 purchase UNEs from AT&T South Carolina, while this provision prohibits it from
10 doing so.

11
12 Q. COULD THE ADOPTED AGREEMENT BE REVISED TO ADDRESS THESE
13 ISSUES?

14
15 A. Not in this context, in which Nextel is seeking to adopt the Sprint agreement.

16
17 Q. WHY NOT?

18
19 A. As our attorneys can explain in more detail, the FCC has ruled that a carrier is no
20 longer permitted to "pick and choose" the provisions in an approved agreement
21 that it wants to adopt. Instead, the FCC has adopted
22 an "all-or-nothing rule" that requires a requesting carrier seeking to avail
23 itself of terms in an interconnection agreement to adopt the agreement in

1 its entirety, taking all rates, terms, and conditions from the adopted
2 agreement.⁵

3 Allowing Nextel to “adopt” the Sprint interconnection agreement after revising
4 the agreement to clarify which provisions Nextel can and cannot use is contrary to
5 this FCC ruling.

6
7 Q. IN ITS MOTION TO DISMISS, AT&T SOUTH CAROLINA RAISED THE
8 “DISPUTE RESOLUTION” PROVISIONS IN THE EXISTING NEXTEL-
9 AT&T INTERCONNECTION AGREEMENTS AS GROUNDS FOR
10 DISMISSING NEXTEL’S PETITION. WHAT IS THE STATUS OF THIS
11 ASPECT OF AT&T’S SOUTH CAROLINA’S MOTION TO DISMISS?

12
13 A. After it filed its Motion to Dismiss, AT&T South Carolina notified Nextel that it
14 intends to terminate the existing interconnection agreements, and AT&T South
15 Carolina requested negotiation of subsequent interconnection agreements. In light
16 of this development, AT&T South Carolina voluntarily withdraws the arguments
17 set forth in Section II.C (on pages 8-9) of its Motion to Dismiss.

18

⁵ See Second Report and Order, *In the Matter of Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers*, 19 F.C.C.R. 13494 at ¶1 (July 13, 2004)(emphasis added).

1 **CONCLUSION**

2

3 Q. WHAT IS AT&T SOUTH CAROLINA ASKING THE COMMISSION TO DO

4 IN THIS DOCKET?

5

6 A. First, AT&T South Carolina asks the Commission to take no action on Nextel's

7 Petition until the FCC decides the status of the Sprint interconnection agreement.

8

9 Second, to the extent that the FCC's determination does not render Nextel's

10 Petition moot, AT&T South Carolina asks that the Commission:

11

12 A. Direct Nextel to present its claims that are based on the Merger

13 Commitments to the FCC or, in the alternative, rule that those

14 Merger Commitments do not entitle Nextel to the relief it seeks;

15

16 B. Rule that section 252(i) of the 1996 Act does not entitle Nextel to

17 the relief it seeks; and

18

19 C. Deny all relief sought by Nextel in this docket.

20

21 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

22

23 A. Yes.

24 694582

APPENDIX F

Conditions

The Applicants have offered certain voluntary commitments, enumerated below. Because we find these commitments will serve the public interest, we accept them. Unless otherwise specified herein, the commitments described herein shall become effective on the Merger Closing Date. The commitments described herein shall be null and void if AT&T and BellSouth do not merge and there is no Merger Closing Date.

It is not the intent of these commitments to restrict, supersede, or otherwise alter state or local jurisdiction under the Communications Act of 1934, as amended, or over the matters addressed in these commitments, or to limit state authority to adopt rules, regulations, performance monitoring programs, or other policies that are not inconsistent with these commitments.

MERGER COMMITMENTS

For the avoidance of doubt, unless otherwise expressly stated to the contrary, all conditions and commitments proposed in this letter are enforceable by the FCC and would apply in the AT&T/BellSouth in-region territory, as defined herein, for a period of forty-two months from the Merger Closing Date and would automatically sunset thereafter.

Repatriation of Jobs to the U.S.

AT&T/BellSouth¹ is committed to providing high quality employment opportunities in the U.S. In order to further this commitment, AT&T/BellSouth will repatriate 3,000 jobs that are currently outsourced by BellSouth outside of the U.S. This repatriation will be completed by December 31, 2008. At least 200 of the repatriated jobs will be physically located within the New Orleans, Louisiana MSA.

Promoting Accessibility of Broadband Service

1. By December 31, 2007, AT&T/BellSouth will offer broadband Internet access service (*i.e.*, Internet access service at speeds in excess of 200 kbps in at least one direction) to 100 percent of the residential living units in the AT&T/BellSouth in-region territory.² To meet this commitment, AT&T/BellSouth will offer broadband Internet access services to at least 85 percent of such living units using wireline technologies (the "Wireline Buildout Area"). AT&T/BellSouth will make available broadband Internet access service to the remaining living units using alternative technologies

¹ AT&T/BellSouth refers to AT&T Inc., BellSouth Corporation, and their affiliates that provide domestic wireline or Wi-Max fixed wireless services.

² As used herein, the "AT&T/BellSouth in-region territory" means the areas in which an AT&T or BellSouth operating company is the incumbent local exchange carrier, as defined in 47 U.S.C. § 251(h)(1)(A) and (B)(i). "AT&T in-region territory" means the area in which an AT&T operating company is the incumbent local exchange carrier, as defined in 47 U.S.C. § 251(h)(1)(A) and (B)(i), and "BellSouth in-region territory" means the area in which a BellSouth operating company is the incumbent local exchange carrier, as defined in 47 U.S.C. § 251(h)(1)(A) and (B)(i).

and operating arrangements, including but not limited to satellite and Wi-Max fixed wireless technologies. AT&T/BellSouth further commits that at least 30 percent of the incremental deployment after the Merger Closing Date necessary to achieve the Wireline Buildout Area commitment will be to rural areas or low income living units.³

2. AT&T/BellSouth will provide an ADSL modem without charge (except for shipping and handling) to residential subscribers within the Wireline Buildout Area who, between July 1, 2007, and June 30, 2008, replace their AT&T/BellSouth dial-up Internet access service with AT&T/BellSouth's ADSL service and elect a term plan for their ADSL service of twelve months or greater.

3. Within six months of the Merger Closing Date, and continuing for at least 30 months from the inception of the offer, AT&T/BellSouth will offer to retail consumers in the Wireline Buildout Area, who have not previously subscribed to AT&T's or BellSouth's ADSL service, a broadband Internet access service at a speed of up to 768 Kbps at a monthly rate (exclusive of any applicable taxes and regulatory fees) of \$10 per month.

Statement of Video Roll-Out Intentions

AT&T is committed to providing, and has expended substantial resources to provide, a broad array of advanced video programming services in the AT&T in-region territory. These advanced video services include Uverse, on an integrated IP platform, and HomeZone, which integrates advanced broadband and satellite services. Subject to obtaining all necessary authorizations to do so, AT&T/BellSouth intends to bring such services to the BellSouth in-region territory in a manner reasonably consistent with AT&T's roll-out of such services within the AT&T in-region territory. In order to facilitate the provision of such advanced video services in the BellSouth in-region territory, AT&T/BellSouth will continue to deploy fiber-based facilities and intends to have the capability to reach at least 1.5 million homes in the BellSouth in-region territory by the end of 2007. AT&T/BellSouth agrees to provide a written report to the Commission by December 31, 2007, describing progress made in obtaining necessary authorizations to roll-out, and the actual roll-out of, such advanced video services in the BellSouth in-region territory.

Public Safety, Disaster Recovery

1. By June 1, 2007, AT&T will complete the steps necessary to allow it to make its disaster recovery capabilities available to facilitate restoration of service in BellSouth's in-region territory in the event of an extended service outage caused by a hurricane or other disaster.

2. In order to further promote public safety, within thirty days of the Merger Closing Date, AT&T/BellSouth will donate \$1 million to a section 501(c)(3) foundation or public entities for the purpose of promoting public safety.

³ For purposes of this commitment, a low income living unit shall mean a living unit in AT&T/BellSouth's in-region territory with an average annual income of less than \$35,000, determined consistent with Census Bureau data, *see* California Public Utilities Code section 5890(j)(2) (as added by AB 2987) (defining low income households as those with annual incomes below \$35,000), and a rural area shall consist of the zones in AT&T/BellSouth's in-region territory with the highest deaveraged UNE loop rates as established by the state commission consistent with the procedures set forth in section 51.507 of the Commission's rules. 47 C.F.R. § 51.507.

Service to Customers with Disabilities

AT&T/BellSouth has a long and distinguished history of serving customers with disabilities. AT&T/BellSouth commits to provide the Commission, within 12 months of the Merger Closing Date, a report describing its efforts to provide high quality service to customers with disabilities.

UNEs

1. The AT&T and BellSouth ILECs shall continue to offer and shall not seek any increase in state-approved rates for UNEs or collocation that are in effect as of the Merger Closing Date. For purposes of this commitment, an increase includes an increased existing surcharge or a new surcharge unless such new or increased surcharge is authorized by (i) the applicable interconnection agreement or tariff, as applicable, and (ii) by the relevant state commission. This commitment shall not limit the ability of the AT&T and BellSouth ILECs and any other telecommunications carrier to agree voluntarily to any different UNE or collocation rates.
2. AT&T/BellSouth shall recalculate its wire center calculations for the number of business lines and fiber-based collocations and, for those that no longer meet the non-impairment thresholds established in 47 CFR §§ 51.319(a) and (e), provide appropriate loop and transport access. In identifying wire centers in which there is no impairment pursuant to 47 CFR §§ 51.319(a) and (e), the merged entity shall exclude the following: (i) fiber-based collocation arrangements established by AT&T or its affiliates; (ii) entities that do not operate (*i.e.*, own or manage the optronics on the fiber) their own fiber into and out of their own collocation arrangement but merely cross-connect to fiber-based collocation arrangements; and (iii) special access lines obtained by AT&T from BellSouth as of the day before the Merger Closing Date.
3. AT&T/BellSouth shall cease all ongoing or threatened audits of compliance with the Commission's EELs eligibility criteria (as set forth in the *Supplemental Order Clarification's* significant local use requirement and related safe harbors, and the *Triennial Review Order's* high capacity EEL eligibility criteria), and shall not initiate any new EELs audits.

Reducing Transaction Costs Associated with Interconnection Agreements

1. The AT&T/BellSouth ILECs shall make available to any requesting telecommunications carrier any entire effective interconnection agreement, whether negotiated or arbitrated, that an AT&T/BellSouth ILEC entered into in any state in the AT&T/BellSouth 22-state ILEC operating territory, subject to state-specific pricing and performance plans and technical feasibility, and provided, further, that an AT&T/BellSouth ILEC shall not be obligated to provide pursuant to this commitment any interconnection arrangement or UNE unless it is feasible to provide, given the technical, network, and OSS attributes and limitations in, and is consistent with the laws and regulatory requirements of, the state for which the request is made.
2. The AT&T/BellSouth ILECs shall not refuse a request by a telecommunications carrier to opt into an agreement on the ground that the agreement has not been amended to reflect changes of law, provided the requesting telecommunications carrier agrees to negotiate in good faith an amendment regarding such change of law immediately after it has opted into the agreement.
3. The AT&T/BellSouth ILECs shall allow a requesting telecommunications carrier to use its pre-existing interconnection agreement as the starting point for negotiating a new agreement.

4. The AT&T/BellSouth ILECs shall permit a requesting telecommunications carrier to extend its current interconnection agreement, regardless of whether its initial term has expired, for a period of up to three years, subject to amendment to reflect prior and future changes of law. During this period, the interconnection agreement may be terminated only via the carrier's request unless terminated pursuant to the agreement's "default" provisions.

Special Access

Each of the following special access commitments shall remain in effect until 48 months from the Merger Closing Date.

1. AT&T/BellSouth affiliates that meet the definition of a Bell operating company in section 3(4)(A) of the Act ("AT&T/BellSouth BOCs")⁴ will implement, in the AT&T and BellSouth Service Areas,⁵ the Service Quality Measurement Plan for Interstate Special Access Services ("the Plan"), similar to that set forth in the SBC/AT&T Merger Conditions, as described herein and in Attachment A to this Appendix F. The AT&T/BellSouth BOCs shall provide the Commission with performance measurement results on a quarterly basis, which shall consist of data collected according to the performance measurements listed therein. Such reports shall be provided in an Excel spreadsheet format and shall be designed to demonstrate the AT&T/BellSouth BOCs' monthly performance in delivering interstate special access services within each of the states in the AT&T and BellSouth Service Areas. These data shall be reported on an aggregated basis for interstate special access services delivered to (i) AT&T and BellSouth section 272(a) affiliates, (ii) their BOC and other affiliates, and (iii) non-affiliates.⁶ The AT&T/BellSouth BOCs shall provide performance measurement results (broken down on a monthly basis) for each quarter to the Commission by the 45th day after the end of the quarter. The AT&T/BellSouth BOCs shall implement the Plan for the first full quarter following the Merger Closing Date. This commitment shall terminate on the earlier of (i) 48 months and 45 days after the beginning of the first full quarter following the Merger Closing Date (that is, when AT&T/BellSouth files its 16th quarterly report); or (ii) the effective date of a Commission order adopting performance measurement requirements for interstate special access services.

2. AT&T/BellSouth shall not increase the rates paid by existing customers (as of the Merger Closing Date) of DS1 and DS3 local private line services that it provides in the AT&T/BellSouth in-region territory pursuant to, or referenced in, TCG FCC Tariff No. 2 above their level as of the Merger Closing Date.

3. AT&T/BellSouth will not provide special access offerings to its wireline affiliates that are not available to other similarly situated special access customers on the same terms and conditions.

4. To ensure that AT&T/BellSouth may not provide special access offerings to its affiliates that are not available to other special access customers, before AT&T/BellSouth provides a new or modified contract tariffed service under section 69.727(a) of the Commission's rules to its own section 272(a)

⁴ For purposes of clarity, the special access commitments set forth herein do not apply to AT&T Advanced Solutions, Inc. and the Ameritech Advanced Data Services Companies, doing business collectively as "ASI."

⁵ For purposes of this commitment, "AT&T and BellSouth Service Areas" means the areas within AT&T/BellSouth's in-region territory in which the AT&T and BellSouth ILECs are Bell operating companies as defined in 47 U.S.C. § 153(4)(A).

⁶ BOC data shall not include retail data.

affiliate(s), it will certify to the Commission that it provides service pursuant to that contract tariff to an unaffiliated customer other than Verizon Communications Inc., or its wireline affiliates. AT&T/BellSouth also will not unreasonably discriminate in favor of its affiliates in establishing the terms and conditions for grooming special access facilities.⁷

5. No AT&T/BellSouth ILEC may increase the rates in its interstate tariffs, including contract tariffs, for special access services that it provides in the AT&T/BellSouth in-region territory, as set forth in tariffs on file at the Commission on the Merger Closing Date, and as set forth in tariffs amended subsequently in order to comply with the provisions of these commitments.

6. In areas within the AT&T/BellSouth in-region territory where an AT&T/BellSouth ILEC has obtained Phase II pricing flexibility for price cap services ("Phase II areas"), such ILEC will offer DS1 and DS3 channel termination services, DS1 and DS3 mileage services, and Ethernet services,⁸ that currently are offered pursuant to the Phase II Pricing Flexibility Provisions of its special access tariffs,⁹ at rates that are no higher than, and on the same terms and conditions as, its tariffed rates, terms, and conditions as of the Merger Closing Date for such services in areas within its in-region territory where it has not obtained Phase II pricing flexibility. In Phase II areas, AT&T/BellSouth also will reduce by 15% the rates in its interstate tariffs as of the Merger Closing Date for Ethernet services that are not at that time subject to price cap regulation. The foregoing commitments shall not apply to DS1, DS3, or Ethernet services provided by an AT&T/BellSouth ILEC to any other price cap ILEC, including any affiliate of such other price cap ILEC,¹⁰ unless such other price cap ILEC offers DS1 and DS3 channel termination and mileage services, and price cap Ethernet services in all areas in which it has obtained Phase II pricing flexibility relief for such services (hereinafter "Reciprocal Price Cap Services") at rates, and on the terms and conditions, applicable to such services in areas in which it has not obtained Phase II pricing flexibility for such services, nor shall AT&T/BellSouth provide the aforementioned 15% discount to such price cap ILEC or affiliate thereof unless such ILEC makes generally available a reciprocal discount for any Ethernet service it offers outside of price cap regulation (hereinafter "Reciprocal Non-Price Cap Services"). Within 14 days of the Merger Closing Date, AT&T/BellSouth will provide notice of this commitment to each price cap ILEC that purchases, or that has an affiliate that purchases, services subject to this commitment from an AT&T/BellSouth ILEC. If within 30 days thereafter, such price cap ILEC does not: (i) affirmatively inform AT&T/BellSouth and the Commission of its intent to sell Reciprocal Price Cap Services in areas where it has received Phase II pricing flexibility for such services at the rates, terms, and conditions that apply in areas where it has

⁷ Neither this merger commitment nor any other merger commitment herein shall be construed to require AT&T/BellSouth to provide any service through a separate affiliate if AT&T/BellSouth is not otherwise required by law to establish or maintain such separate affiliate.

⁸ The Ethernet services subject to this commitment are AT&T's interstate OPT-E-MAN, GigaMAN and DecaMAN services and BellSouth's interstate Metro Ethernet Service.

⁹ The Phase II Pricing Flexibility Provisions for DS1 and DS3 services are those set forth in Ameritech Tariff FCC No. 2, Section 21; Pacific Bell Tariff FCC No. 1, Section 31; Nevada Bell Tariff FCC No. 1, Section 22; Southwestern Bell Telephone Company Tariff FCC No. 73, Section 39; Southern New England Telephone Tariff FCC No. 39, Section 24; and BellSouth Telecommunications Tariff FCC No. 1, Section 23.

¹⁰ For purposes of this commitment, the term "price cap ILEC" refers to an incumbent local exchange carrier that is subject to price cap regulation and all of its affiliates that are subject to price cap regulation. The term "affiliate" means an affiliate as defined in 47 U.S.C. § 153(1) and is not limited to affiliates that are subject to price cap regulation.

not received such flexibility, and to provide a 15% discount on Reciprocal Non-Price Cap Services; and (ii) file tariff revisions that would implement such changes within 90 days of the Merger Closing Date (a “Non-Reciprocating Carrier”), the AT&T/BellSouth ILECs shall be deemed by the FCC to have substantial cause to make any necessary revisions to the tariffs under which they provide the services subject to this commitment to such Non-Reciprocating Carrier, including any affiliates, to prevent or offset any change in the effective rate charged such entities for such services. The AT&T/BellSouth ILECs will file all tariff revisions necessary to effectuate this commitment, including any provisions addressing Non-Reciprocating Carriers and their affiliates, within 90 days from the Merger Closing Date.

7. AT&T/BellSouth will not oppose any request by a purchaser of interstate special access services for mediation by Commission staff of disputes relating to AT&T/BellSouth’s compliance with the rates, terms, and conditions set forth in its interstate special access tariffs and pricing flexibility contracts or to the lawfulness of the rates, terms, and conditions in such tariffs and contracts, nor shall AT&T/BellSouth oppose any request that such disputes be accepted by the Commission onto the Accelerated Docket.

8. The AT&T/BellSouth ILECs will not include in any pricing flexibility contract or tariff filed with the Commission after the Merger Closing Date access service ratio terms which limit the extent to which customers may obtain transmission services as UNEs, rather than special access services.

9. Within 60 days after the Merger Closing Date, the AT&T/BellSouth ILECs will file one or more interstate tariffs that make available to customers of DS1, DS3, and Ethernet service reasonable volume and term discounts without minimum annual revenue commitments (MARC) or growth discounts. To the extent an AT&T/BellSouth ILEC files an interstate tariff for DS1, DS3, or Ethernet services with a varying MARC, it will at the same time file an interstate tariff for such services with a fixed MARC. For purposes of these commitments, a MARC is a requirement that the customer maintain a minimum specified level of spending for specified services per year.

10. If, during the course of any negotiation for an interstate pricing flexibility contract, AT&T/BellSouth offers a proposal that includes a MARC, AT&T/BellSouth will offer an alternative proposal that gives the customer the option of obtaining a volume and/or term discount(s) without a MARC. If, during the course of any negotiation for an interstate pricing flexibility contract, AT&T/BellSouth offers a proposal that includes a MARC that varies over the life of the contract, AT&T/BellSouth will offer an alternative proposal that includes a fixed MARC.

11. Within 14 days of the Merger Closing Date, the AT&T/BellSouth ILECs will give notice to customers of AT&T/BellSouth with interstate pricing flexibility contracts that provide for a MARC that varies over the life of the contract that, within 45 days of such notice, customers may elect to freeze, for the remaining term of such pricing flexibility contract, the MARC in effect as of the Merger Closing Date, provided that the customer also freezes, for the remaining term of such pricing flexibility contract, the contract discount rate (or specified rate if the contract sets forth specific rates rather than discounts off of referenced tariffed rates) in effect as of the Merger Closing Date.

Transit Service

The AT&T and BellSouth ILECs will not increase the rates paid by existing customers for their existing tandem transit service arrangements that the AT&T and BellSouth ILECs provide in the AT&T/BellSouth in-region territory.¹¹

ADSL Service¹²

1. Within twelve months of the Merger Closing Date, AT&T/BellSouth will deploy and offer within the BellSouth in-region territory ADSL service to ADSL-capable customers without requiring such customers to also purchase circuit switched voice grade telephone service. AT&T/BellSouth will continue to offer this service in each state for thirty months after the "Implementation Date" in that state. For purposes of this commitment, the "Implementation Date" for a state shall be the date on which AT&T/BellSouth can offer this service to eighty percent of the ADSL-capable premises in BellSouth's in-region territory in that state.¹³ Within twenty days after meeting the Implementation Date in a state, AT&T/BellSouth will file a letter with the Commission certifying to that effect. In all events, this commitment will terminate no later than forty-two months after the Merger Closing Date.

2. AT&T/BellSouth will extend until thirty months after the Merger Closing Date the availability within AT&T's in-region territory of ADSL service, as described in the ADSL Service Merger Condition, set forth in Appendix F of the *SBC/AT&T Merger Order* (FCC 05-183).

3. Within twelve months of the Merger Closing Date, AT&T/BellSouth will make available in its in-region territory an ADSL service capable of speeds up to 768 Kbps to ADSL-capable customers without requiring such customers to also purchase circuit switched voice grade telephone service ("Stand Alone 768 Kbps service"). AT&T/BellSouth will continue to offer the 768 Kbps service in a state for thirty months after the "Stand Alone 768 Kbps Implementation Date" for that state. For purposes of this commitment, the "Stand Alone 768 Kbps Implementation Date" for a state shall be the date on which AT&T/BellSouth can offer the Stand Alone 768 Kbps service to eighty percent of the ADSL-capable premises in AT&T/BellSouth's in-region territory in that state. The Stand Alone 768 Kbps service will be offered at a rate of not more than \$19.95 per month (exclusive of regulatory fees and taxes). AT&T/BellSouth may make available such services at other speeds at prices that are competitive with the broadband market taken as a whole.

ADSL Transmission Service

AT&T/BellSouth will offer to Internet service providers, for their provision of broadband Internet access service to ADSL-capable retail customer premises, ADSL transmission service in the combined

¹¹ Tandem transit service means tandem-switched transport service provided to an originating carrier in order to indirectly send intraLATA traffic subject to § 251(b)(5) of the Communications Act of 1934, as amended, to a terminating carrier, and includes tandem switching functionality and tandem switched transport functionality between an AT&T/BellSouth tandem switch location and the terminating carrier.

¹² The commitments set forth under the heading "ADSL Service" are, by their terms, available to retail customers only. Wholesale commitments are addressed separately under the heading "ADSL Transmission Service."

¹³ After meeting the implementation date in each state, AT&T/BellSouth will continue deployment so that it can offer the service to all ADSL-capable premises in its in-region territory within twelve months of the Merger Closing Date.

AT&T/BellSouth territory that is functionally the same as the service AT&T offered within the AT&T in-region territory as of the Merger Closing Date.¹⁴ Such wholesale offering will be at a price not greater than the retail price in a state for ADSL service that is separately purchased by customers who also subscribe to AT&T/BellSouth local telephone service.

Net Neutrality

1. Effective on the Merger Closing Date, and continuing for 30 months thereafter, AT&T/BellSouth will conduct business in a manner that comports with the principles set forth in the Commission's Policy Statement, issued September 23, 2005 (FCC 05-151).

2. AT&T/BellSouth also commits that it will maintain a neutral network and neutral routing in its wireline broadband Internet access service.¹⁵ This commitment shall be satisfied by AT&T/BellSouth's agreement not to provide or to sell to Internet content, application, or service providers, including those affiliated with AT&T/BellSouth, any service that privileges, degrades or prioritizes any packet transmitted over AT&T/BellSouth's wireline broadband Internet access service based on its source, ownership or destination.

This commitment shall apply to AT&T/BellSouth's wireline broadband Internet access service from the network side of the customer premise equipment up to and including the Internet Exchange Point closest to the customer's premise, defined as the point of interconnection that is logically, temporally or physically closest to the customer's premise where public or private Internet backbone networks freely exchange Internet packets.

This commitment does not apply to AT&T/BellSouth's enterprise managed IP services, defined as services available only to enterprise customers¹⁶ that are separate services from, and can be purchased without, AT&T/BellSouth's wireline broadband Internet access service, including, but not limited to, virtual private network (VPN) services provided to enterprise customers. This commitment also does not apply to AT&T/BellSouth's Internet Protocol television (IPTV) service. These exclusions shall not result in the privileging, degradation, or prioritization of packets transmitted or received by AT&T/BellSouth's non-enterprise customers' wireline broadband Internet access service from the network side of the customer premise equipment up to and including the Internet Exchange Point closest to the customer's premise, as defined above.

¹⁴ An ADSL transmission service shall be considered "functionally the same" as the service AT&T offered within the AT&T in-region territory as of the Merger Closing Date if the ADSL transmission service relies on ATM transport from the DSLAM (or equivalent device) to the interface with the Internet service provider, and provides a maximum asymmetrical downstream speed of 1.5Mbps or 3.0Mbps, or a maximum symmetrical upstream/downstream speed of 384Kbps or 416Kbps, where each respective speed is available (the "Broadband ADSL Transmission Service"). Nothing in this commitment shall require AT&T/BellSouth to serve any geographic areas it currently does not serve with Broadband ADSL Transmission Service or to provide Internet service providers with broadband Internet access transmission technology that was not offered by AT&T to such providers in its in-region territory as of the Merger Closing Date.

¹⁵ For purposes of this commitment, AT&T/BellSouth's wireline broadband Internet access service and its Wi-Max fixed wireless broadband Internet access service are, collectively, AT&T/BellSouth's "wireline broadband Internet access service."

¹⁶ "Enterprise customers" refers to that class of customer identified as enterprise customers on AT&T's website (<http://www.att.com>) as of December 28, 2006.

This commitment shall sunset on the earlier of (1) two years from the Merger Closing Date, or (2) the effective date of any legislation enacted by Congress subsequent to the Merger Closing Date that substantially addresses “network neutrality” obligations of broadband Internet access providers, including, but not limited to, any legislation that substantially addresses the privileging, degradation, or prioritization of broadband Internet access traffic.

Internet Backbone

1. For a period of three years after the Merger Closing Date, AT&T/BellSouth will maintain at least as many discrete settlement-free peering arrangements for Internet backbone services with domestic operating entities within the United States as they did on the Merger Closing Date, provided that the number of settlement-free peering arrangements that AT&T/BellSouth is required to maintain hereunder shall be adjusted downward to account for any mergers, acquisitions, or bankruptcies by existing peering entities or the voluntary election by a peering entity to discontinue its peering arrangement. If on the Merger Closing Date, AT&T and BellSouth both maintain a settlement free peering arrangement for Internet backbone services with the same entity (or an affiliate thereof), the separate arrangements shall count as one settlement-free peering arrangement for purposes of determining the number of discrete peering entities with whom AT&T/BellSouth must peer pursuant to this commitment. AT&T/BellSouth may waive terms of its published peering policy to the extent necessary to maintain the number of peering arrangements required by this commitment. Notwithstanding the above, if within three years after the Merger Closing Date, one of the ten largest entities with which AT&T/BellSouth engages in settlement free peering for Internet backbone services (as measured by traffic volume delivered to AT&T/BellSouth’s backbone network facilities by such entity) terminates its peering arrangement with AT&T/BellSouth for any reason (including bankruptcy, acquisition, or merger), AT&T/BellSouth will replace that peering arrangement with another settlement free peering arrangement and shall not adjust its total number of settlement free peers downward as a result.

2. Within thirty days after the Merger Closing Date, and continuing for three years thereafter, AT&T/BellSouth will post its peering policy on a publicly accessible website. During this three-year period, AT&T/BellSouth will post any revisions to its peering policy on a timely basis as they occur.

Forbearance

1. AT&T/BellSouth will not seek or give effect to a ruling, including through a forbearance petition under section 10 of the Communications Act (the “Act”) 47 U.S.C. 160, or any other petition, altering the status of any facility being currently offered as a loop or transport UNE under section 251(c)(3) of the Act.

2. AT&T/BellSouth will not seek or give effect to any future grant of forbearance that diminishes or supersedes the merged entity’s obligations or responsibilities under these merger commitments during the period in which those obligations are in effect.

Wireless

1. AT&T/BellSouth shall assign and/or transfer to an unaffiliated third party all of the 2.5 GHz spectrum (broadband radio service (BRS)/educational broadband service (EBS)) currently licensed to or leased by BellSouth within one year of the Merger Closing Date.

2. By July 21, 2010, AT&T/BellSouth agrees to: (1) offer service in the 2.3 GHz band to 25% of the population in the service area of AT&T/BellSouth’s wireless communications services (WCS) licenses,

for mobile or fixed point-to-multi-point services, or (2) construct at least five permanent links per one million people in the service area of AT&T/BellSouth's WCS licenses, for fixed point-to-point services. In the event AT&T/BellSouth fails to meet either of these service requirements, AT&T/BellSouth will forfeit the unconstructed portion of the individual WCS licenses for which it did not meet either of these service requirements as of July 21, 2010; provided, however, that in the event the Commission extends the July 21, 2010, buildout date for 2.3GHz service for the WCS industry at large ("Extended Date"), the July 21, 2010 buildout date specified herein shall be modified to conform to the Extended Date. The wireless commitments set forth above do not apply to any 2.3 GHz wireless spectrum held by AT&T/BellSouth in the state of Alaska.

Divestiture of Facilities

Within twelve months of the Merger Closing Date, AT&T/BellSouth will sell to an unaffiliated third party(ies) an indefeasible right of use ("IRU") to fiber strands within the existing "Lateral Connections," as that term is defined in the *SBC/AT&T Consent Decree*,¹⁷ to the buildings listed in Attachment B to this Appendix F ("BellSouth Divestiture Assets"). These divestitures will be effected in a manner consistent with the divestiture framework agreed to in the *SBC/AT&T Consent Decree*, provided that such divestitures will be subject to approval by the FCC, rather than the Department of Justice.

Tunney Act

AT&T is a party to a Consent Decree entered into following the merger of SBC and AT&T (the "Consent Decree"). The Consent Decree documents the terms under which AT&T agreed to divest special access facilities serving 383 buildings within the former SBC in-region ILEC territory (the "SBC Divestiture Assets"). In its Order approving the AT&T/SBC merger, the Commission also required the divestiture of these same facilities on the terms and conditions contained in the Consent Decree. The Consent Decree is currently under review pursuant to the Tunney Act in the U.S. District Court for the District of Columbia (the "Court") in *U.S. v. SBC Communications, Inc. and AT&T Corp.*, Civil Action No. 1:05CV02102 (EGS) (D.D.C.), where the Court is reviewing the adequacy of the remedy contained in the Consent Decree to address the competitive concerns described in the Complaint filed by the Department of Justice (DOJ).

If it is found in a final, non-appealable order, that the remedy in the Consent Decree is not adequate to address the concerns raised in the Complaint and AT&T and the DOJ agree to a modification of the Consent Decree (the "Modified Consent Decree"), then AT&T agrees that (1) AT&T/BellSouth will conform its divestiture of the BellSouth Divestiture Assets to the terms of the Modified Consent Decree; and (2) AT&T/BellSouth will negotiate in good faith with the Commission to determine whether the conditions imposed on AT&T/BellSouth in the Commission order approving the merger of AT&T and BellSouth satisfies, with respect to the BellSouth territory, the concerns addressed in the Modified Consent Decree.

Certification

AT&T/BellSouth shall annually file a declaration by an officer of the corporation attesting that AT&T/BellSouth has substantially complied with the terms of these commitments in all material

¹⁷ See *United States v. SBC Communications, Inc.*, Civil Action No. 1:05CV02102, Final Judgment (D.D.C. filed Oct. 27, 2005).

respects. The first declaration shall be filed 45 days following the one-year anniversary of the Merger Closing Date, and the second, third, and fourth declarations shall be filed one, two, and three years thereafter, respectively.

Conditions
ATTACHMENT A

Service Quality Measurement Plan
For Interstate Special Access

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Section 1: Ordering

FOCT: Firm Order Confirmation (FOC) Timeliness

Definition

Firm Order Confirmation (FOC) Timeliness measures the percentage of FOCs returned within the Company-specified standard interval.

Exclusions

- ☐ Service requests identified as “Projects” or “ICBs”
- ☐ Service requests cancelled by the originator
- ☐ Weekends and designated holidays of the service center
- ☐ Unsolicited FOCs
- ☐ Administrative or test service requests
- ☐ Service requests that indicate that no confirmation/response should be sent
- ☐ Other exclusions as defined by each RBOC to reflect system and operational differences

Business Rules

Counts are based on the first instance of a FOC being sent in response to an ASR. Activity starting on a weekend or holiday will reflect a start date of the next business day. Activity ending on a weekend or holiday will be calculated with an end date of the last previous business day. Requests received after the company’s stated cutoff time will be counted as a “zero” day interval if the FOC is sent by close of business on the next business day. The standard interval will be that which is specified in the company-specific ordering guide.

Calculation

Firm Order Confirmation (FOC) Interval = (a - b)

- ☐ a = Date and time FOC is returned
- ☐ b = Date and time valid access service request is received

Percent within Standard Interval = (c / d) X 100

- ☐ c = Number of service requests confirmed within the designated interval
- ☐ d = Total number of service requests confirmed in the reporting period

Report Structure

- ☐ Non-Affiliates Aggregate
- ☐ RBOC Affiliates Aggregate
 - RBOC 272 Affiliates Aggregate

Geographic Scope

- ☐ State

SQM Disaggregation (Percent FOCs returned within Standard Interval)

- ☐ Special Access – DS0
- ☐ Special Access – DS1
- ☐ Special Access – DS3 and above

Section 2: Provisioning**PIAM: Percent Installation Appointments Met****Definition**

Percent Installation Appointments Met measures the percentage of installations completed on or before the confirmed due date.

Exclusions

- ☐ Orders issued and subsequently cancelled
- ☐ Orders associated with internal or administrative (including test) activities
- ☐ Disconnect Orders
- ☐ Other exclusions as defined by each RBOC to reflect system and operational differences

Business Rules

This measurement is calculated by dividing the number of service orders completed during the reporting period, on or before the confirmed due date, by the total number of orders completed during the same reporting period. Installation appointments missed because of customer caused reasons shall be counted as met and included in both the numerator and denominator. Where there are multiple missed appointment codes, each RBOC will determine whether an order is considered missed.

Calculation

Percent Installation Appointments Met = $(a / b) \times 100$

- ☐ a = Number of orders completed on or before the RBOC confirmed due date during the reporting period
- ☐ b = Total number of orders where completion has been confirmed during the reporting period

Report Structure

- ☐ Non-Affiliates Aggregate
- ☐ RBOC Affiliates Aggregate
 - RBOC 272 Affiliates Aggregate

Geographic Scope

- ☐ State

SQM Disaggregation

- ☐ Special Access – DS0
- ☐ Special Access – DS1
- ☐ Special Access – DS3 and above

NITR: New Installation Trouble Report Rate

Definition

New Installation Trouble Report Rate measures the percentage of circuits or orders where a trouble was found in RBOC facilities or equipment within thirty days of order completion.

Exclusions

- ☐ Trouble tickets issued and subsequently cancelled
- ☐ Customer Provided Equipment (CPE) or customer caused troubles
- ☐ Troubles closed by the technician to disposition codes of IEC (Inter-exchange Carrier) or INF (Information)
- ☐ RBOC troubles associated with administrative service
- ☐ No Trouble Found (NTF) and Test OK (TOK)
- ☐ Other exclusions defined by each RBOC to reflect system and operational differences
- ☐ Subsequent trouble reports

Business Rules

Only the first customer direct trouble report received within thirty calendar days of a completed service order is counted in this measure. Only customer direct trouble reports that required the RBOC to repair a portion of the RBOC network will be counted in this measure. The RBOC completion date is when the RBOC completes installation of the circuit or order.

Calculation

Trouble Report Rate within 30 Calendar Days of Installation = $(a / b) \times 100$

- ☐ a = Count of circuits/orders with trouble reports within 30 calendar days of installation
- ☐ b = Total number of circuits/orders installed in the reporting period

Report Structure

- ☐ Non-Affiliates Aggregate
- ☐ RBOC Affiliates Aggregate
 - RBOC 272 Affiliates Aggregate

Geographic Scope

- ☐ State

SQM Disaggregation

- ☐ Special Access – DS0
- ☐ Special Access – DS1
- ☐ Special Access – DS3 and above

Section 3: Maintenance & Repair

CTRR: Failure Rate/Trouble Report Rate

Definition

The percentage of initial and repeated circuit-specific trouble reports completed per 100 in-service circuits for the reporting period.

Exclusions

- ☐ Trouble reports issued and subsequently cancelled
- ☐ Employee initiated trouble reports
- ☐ Trouble reports/circuits associated with internal or administrative activities
- ☐ Customer Provided Equipment (CPE) or customer caused troubles
- ☐ Troubles closed by the technician to disposition codes of IEC (Inter-exchange Carrier) or INF (Information)
- ☐ Tie Circuits
- ☐ No Trouble Found (NTF) and Test OK (TOK)
- ☐ Other exclusions as defined by each RBOC to reflect system and operational differences

Business Rules

Only customer direct trouble reports that require the RBOC to repair a portion of the RBOC network will be counted in this report. The trouble report rate is computed by dividing the number of completed trouble reports handled during the reporting period by the total number of in-service circuits for the same period.

Calculation

Percent Trouble Report Rate = (a / b) X 100

- ☐ a = Number of completed circuit-specific trouble reports received during the reporting period
- ☐ b = Total number of in-service circuits during the reporting period

Report Structure

- ☐ Non-Affiliates Aggregate
- ☐ RBOC Affiliates Aggregate
 - RBOC 272 Affiliates Aggregate

Geographic Scope

- ☐ State

SQM Disaggregation

- ☐ Special Access – DS0
- ☐ Special Access – DS1
- ☐ Special Access – DS3 and above

MAD: Average Repair Interval/Mean Time to Restore

Definition

The Average Repair Interval/Mean Time to Restore is the average time between the receipt of a customer trouble report and the time the service is restored. The average outage duration is only calculated for completed circuit-specific trouble reports.

Exclusions

- ☐ Trouble reports issued and subsequently cancelled
- ☐ Employee initiated trouble reports
- ☐ Trouble reports associated with internal or administrative activities
- ☐ Customer Provided Equipment (CPE) or customer caused troubles
- ☐ Troubles closed by the technician to disposition codes of IEC (Inter-exchange Carrier) or INF (Information)
- ☐ Tie Circuits
- ☐ No Trouble Found (NTF) and Test OK (TOK)
- ☐ Other exclusions as defined by each RBOC to reflect system and operational differences

Business Rules

Only customer direct trouble reports that require the RBOC to repair a portion of the RBOC network will be counted in this measure. The average outage duration is calculated for each restored circuit with a trouble report. The start time begins with the receipt of the trouble report and ends when the service is restored. This is reported in a manner such that customer hold time or delay maintenance time resulting from verifiable situations of no access to the end user premise, other CLEC/IXC or RBOC retail customer caused delays, such as holding the ticket open for monitoring, is deducted from the total resolution interval ("stop clock" basis).

Calculation

Repair Interval = (a – b)

- ☐ a = Date and time trouble report was restored
- ☐ b = Date and time trouble report was received

Average Repair Interval = (c / d)

- ☐ c = Total of all repair intervals (in hours/days) for the reporting period
- ☐ d = Total number of trouble reports closed during the reporting period

Report Structure

- ☐ Non-Affiliates Aggregate
- ☐ RBOC Affiliates Aggregate
 - RBOC 272 Affiliates Aggregate

Geographic Scope

- ☐ State

SQM Disaggregation

- ☐ Special Access – DS0
- ☐ Special Access – DS1
- ☐ Special Access – DS3 and above

GLOSSARY

Access Service Request (ASR)	A request to the RBOC to order new access service, or request a change to existing service, which provides access to the local exchange company's network under terms specified in the local exchange company's special or switched access tariffs.
RBOC 272 Affiliates Aggregate	RBOC Affiliate(s) authorized to provide long distance service as a result of the Section 271 approval process.
RBOC Affiliates Aggregate	RBOC Telecommunications and all RBOC Affiliates (including the 272 Affiliate). Post sunset, comparable line of business (e.g., 272 line of business) will be included in this category.
Business Days	Monday thru Friday (8AM to 5PM) excluding holidays
CPE	Customer Provided or Premises Equipment
Customer Not Ready (CNR)	A verifiable situation beyond the normal control of the RBOC that prevents the RBOC from completing an order, including the following: CLEC or IXC is not ready to receive service; end user is not ready to receive service; connecting company or CPE supplier is not ready.
Firm Order Confirmation (FOC)	The notice returned from the RBOC, in response to an Access Service Request from a CLEC, IXC or affiliate, that confirms receipt of the request and creation of a service order with an assigned due date.
Unsolicited FOC	An Unsolicited FOC is a supplemental FOC issued by the RBOC to change the due date or for other reasons, e.g., request for a second copy from the CLEC/IXC, although no change to the ASR was requested by the CLEC or IXC.
Project or ICB	Service requests that exceed the line size and/or level of complexity that would allow the use of standard ordering and provisioning interval and processes. Service requests requiring special handling.
Repeat Trouble	Trouble that reoccurs on the same telephone number/circuit ID within 30 calendar days
Service Orders	Refers to all orders for new or additional lines/circuits. For change order types, additional lines/circuits consist of all C order types with "I" and "T" action coded line/circuit USOCs that represent new or additional lines/circuits, including conversions for RBOC to Carrier and Carrier to Carrier.

**Conditions
ATTACHMENT B**

Building List

Metro Area	CLLI	Address	City	State	Zip Code
Atlanta	ALPRGAVP	5965 CABOT PKWY	ALPHARETTA	GA	30005
Atlanta	ATLNGABI	2751 BUFORD HWY NE	ATLANTA	GA	30324
Atlanta	CHMBGAJG	2013 FLIGHTWAY DR	CHAMBLEE	GA	30341
Atlanta	NRCRGAER	6675 JONES MILL CT	NORCROSS	GA	30092
Atlanta	NRCRGAIJ	4725 PEACHTREE CORNERS CIR	NORCROSS	GA	30092
Atlanta	NRCRGANX	3795 DATA DR NW	NORCROSS	GA	30092
Atlanta	NRCRGARC	335 RESEARCH CT	NORCROSS	GA	30092
Birmingham	BRHMALKU	101 LEAF LAKE PKWY	BIRMINGHAM	AL	35211
Charlotte	CHRMNCXI	2605 WATER RIDGE PKWY	CHARLOTTE	NC	28217
Chattanooga	CHTGTNAC	537 MARKET ST	CHATTANOOGA	TN	37402
Jacksonville	JCVNFLHK	10201 CENTURION PKWY N	JACKSONVILLE	FL	32256
Knoxville	KNVLTNHB	8057 RAY MEARS BLVD	KNOXVILLE	TN	37919
Knoxville	KNVNTN82	2160 LAKESIDE CENTER WAY	KNOXVILLE	TN	37922
Miami	BCRTFLAU	851 NW BROKEN SOUND PKWY	BOCA RATON	FL	33487
Miami	BCRTFLCM	501 E CAMINO REAL	BOCA RATON	FL	33432
Miami	DLBHFLDU	360 N CONGRESS AVE	DELRAY BEACH	FL	33445
Miami	JPTRFLAC	100 MARQUETTE DR	JUPITER	FL	33458
Miami	JPTRFLBC	1001 N USHWY I	JUPITER	FL	33477
Miami	PLNBFLAZ	1601 SW 80TH TER	PLANTATION	FL	33324
Miami	PLNBFLCQ	1800 NW 69TH AVE	PLANTATION	FL	33313
Miami	SUNRFLCF	720 INTERNATIONAL PKWY	SUNRISE	FL	33325
Nashville	BRWDTNEV	210 WESTWOOD PL	BRENTWOOD	TN	37027
Nashville	NSVLTNIH	1215 21ST AVE S	NASHVILLE	TN	37212
Nashville	NSVLTNWL	28 OPRYLAND DR	NASHVILLE	TN	37204
Nashville	NSVNTNFO	252 OPRY MILLS DR	NASHVILLE	TN	37214
Nashville	NSVPTNIJ	332 OPRY MILLS DR	NASHVILLE	TN	37214
Nashville	NSVPTN98	427 OPRY MILLS DR	NASHVILLE	TN	37214
Nashville	NSVPTNJX	540 OPRY MILLS DR	NASHVILLE	TN	37214
Miami	LDHLFLAC	4300 N UNIVERSITY DR	LAUDERHILL	FL	33351
Miami	SUNRFLBD	440 SAWGRASS CORP. PARKWAY	SUNRISE	FL	33325
Orlando	ORLFFLYL	8350 PARKLINE BLVD	ORLANDO	FL	32809



Gregg F. Morton
Vice President - Regulatory and Legislative Affairs

Suite 807
1600 Hampton Street
Columbia, South Carolina 29201
803 733-6300
FAX 803 771-4680

January 10, 2000

The Honorable Gary E. Walsh
Executive Director
Public Service Commission of SC
Post Office Drawer 11649
Columbia, South Carolina 29211

Re: Approval of the Interconnection Agreement Negotiated by
BellSouth Telecommunications, Inc. and Sprint Communications
Company L.P. pursuant to Sections 251, 252 and 271 of the
Telecommunications Act of 1996

Dear Mr. Walsh:

Pursuant to Section 252(e) of the Telecommunications Act of 1996, BellSouth Telecommunications, Inc. and Sprint Communications Company L.P. are submitting to the South Carolina Public Service Commission their negotiated agreement for the interconnection of their networks, the unbundling of specific network elements, and the resale of BellSouth's telecommunications services to Sprint Communications Company L.P. The agreement was negotiated pursuant to Sections 251, 252 and 271 of the Act.

Pursuant to Section 252(e) of the Act, the Commission is charged with approving or rejecting the negotiated agreement between BellSouth and Sprint Communications Company L.P. within 90 days of its submission. The Commission may only reject such an agreement if it finds that the agreement or any portion of the agreement discriminates against a telecommunications carrier not a party to the agreement or the implementation of the agreement or any portion of the agreement is not consistent with the public interest, convenience and necessity. Both parties represent that neither of these reasons exists as to the agreement they have negotiated and that the Commission should approve their agreement.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Gregg F. Morton", written over a horizontal line.

Gregg F. Morton

GFM/nml

COMMISSIONERS
 PHILIP T. BRADLEY, 4TH DISTRICT
 CHAIRMAN
 WILLIAM "BILL" SAUNDERS, 1ST DISTRICT
 VICE CHAIRMAN



COMMISSIONERS
 SCOTT ELLIOTT, 2ND DISTRICT
 RANDY MITCHELL, 3RD DISTRICT
 H. CLAY CARRUTH, JR., 5TH DISTRICT
 MIGNON L. CLYBURN, 6TH DISTRICT
 C. ROBERT MOSELEY, AT LARGE

GARY E. WALSH
 EXECUTIVE DIRECTOR
 Phone: (803) 896-5100
 Fax: (803) 896-5199

The Public Service Commission State of South Carolina

PO Drawer 11649
 Columbia, SC 29211
 Koger Executive Center
 101 Executive Center Dr.
 Columbia, SC 29210
www.psc.state.sc.us

January 24, 2000

Mr. Gregg F. Morton
 Vice President - Regulatory and Legislative Affairs
 BellSouth Telecommunications
 1600 Hampton Street, Suite 807
 Columbia, South Carolina 29201

**In Re: Docket No. 2000-0023- Application for Approval of Negotiated Agreement between
 BellSouth Telecommunications, Inc. and Sprint Communications Company LP**

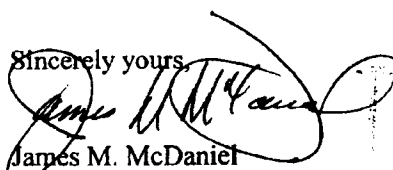
Dear Mr. Morton:

The Negotiated Interconnection Agreement between BellSouth Telecommunications, Inc. and Sprint Communications Company LP was presented to the Commission for consideration during its Regular Business Session on January 18, 2000.

After consideration, the Commission approved this Agreement since it is consistent with the standards of Section 252 (a) (1) of the Telecommunications Act of 1996 and since it is not discriminatory and is consistent with the public interest in that it promotes competition.

Consistent with previous Commission Orders, the Commission finds that the terms of this Interconnection Agreement are not to be considered as a precedential standard for other agreements, nor are they binding on any other communications carrier.

Sincerely yours,


 James M. McDaniel
 Utilities Department

RECEIVED

FEB 1 - 2000

JMM:



Mark G. Felton
Manager
Wholesale & Interconnection
Management

6450 Sprint Parkway
KSOPHN0116-1B572
Overland Park, KS 66251
Voice 913 315 9253
Fax 913 523 0608
mark.g.felton@mail.sprint.com

VIA ELECTRONIC AND OVERNIGHT MAIL

July 1, 2004

Ms. Patricia Wanner
Manager – Interconnection Services
BellSouth Telecommunications, Inc.
675 West Peachtree Street
Room 34S91
Atlanta, Georgia 30375

Mr. Randy Ham,
Director of Wireless Interconnection
BellSouth Telecommunications, Inc.
3535 Colonnade Pkwy., Room W1A
Birmingham, Alabama 35243


RE: Sprint/BellSouth interconnection negotiations for Nine-State Region

Dear Ms. Wanner and Mr. Ham:

Pursuant to Sections 251/252/332 of the Telecommunications Act of 1934, as amended ("Act"), and Section 3.1 of the parties' current interconnection agreement, Sprint Communications Company L.P. and Sprint Spectrum L.P. (hereinafter collectively "Sprint") hereby request commencement of negotiations for interconnection with BellSouth Telecommunications, Inc. ("BellSouth"). These negotiations are intended to produce an agreement covering the service territories of BellSouth in all nine states in which BellSouth serves (Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, hereinafter "Nine-State Region") and to provide for interconnection, resale, access to unbundled network elements, and ancillary services in order that Sprint may provide telecommunications services within the BellSouth Nine-State Region. Sprint requests that the parties commence negotiations with regard to terms, conditions and prices of resale and/or local interconnection to be effective beginning on the expiration date of the current interconnection agreement.

Please acknowledge to me, by way of e-mail, facsimile or U.S. Mail, that you have received this letter. Sprint looks forward to entering into a fair and equitable interconnection agreement with BellSouth in accordance with the requirements of the Act. Please contact me if you should have any questions regarding this matter.

Sincerely,


Mark G. Felton

cc: Mr. Kendal S. Ross
Mr. Joseph P. Cowin
Mr. Charles W. McKee

**Amendment to the Agreement
Between
Sprint Communications Company Limited Partnership
Sprint Communications Company L.P.
Sprint Spectrum L.P.
and
BellSouth Telecommunications, Inc.
Dated January 1, 2001**

Pursuant to this Amendment, (the "Amendment"), Sprint Communications Company Limited Partnership and Sprint Communications Company L.P., (collectively referred to as "Sprint CLEC"), a Delaware Limited Partnership and Sprint Spectrum L.P., a Delaware limited partnership, and SprintCom, Inc., a Kansas corporation, all foregoing entities jointly d/b/a Sprint PCS (Sprint PCS), hereinafter collectively referred to as Sprint, and BellSouth Telecommunications, Inc. (BellSouth), hereinafter referred to collectively as the "Parties," hereby agree to amend that certain Interconnection Agreement between the Parties dated January 1, 2001 (Agreement) to be effective March 11, 2006 (Effective Date).

WHEREAS, BellSouth and Sprint entered into the Agreement on January 1, 2001, and;

WHEREAS, BellSouth and Sprint desire to amend the Agreement to modify provisions pursuant to the Federal Communications Commission's (FCC) Order on Remand (Triennial Review Remand Order), WC Docket No. 04-313, released February 4, 2005 and effective March 11, 2005;

WHEREAS, the Parties desire to amend the Agreement to reflect other changes as agreed upon by the parties;

NOW, THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby covenant and agree as follows:

1. The Parties agree to delete Section 17 of the General Terms and Conditions and replace it with the following:

17. Adoption of Agreements

17.1 BellSouth shall make agreements available to Sprint in accordance with 47 USC § 252(i) and 47 C.F.R. § 51.809.

2. The Parties agree to transfer from existing Attachment 2, in their entirety, Sections "20. SS7 Network Interconnection" and "21. Basic 911 and E911" to Attachment 3 and to be identified as Sections "8. SS7 Network Interconnection" and "9. Basic 911 and E911", respectively.
3. The Parties agree to delete Attachment 2, Network Elements and Other Services, in its entirety and replace with Attachment 2 reflected as Exhibit 1, attached hereto and by reference incorporated into this Amendment.

Version: TRRO Amendment
07/28/05

4. The Parties agree to add the rates for SS7 Interconnection to Exhibit A of Attachment 3, attached hereto as Exhibit 2 and by reference incorporated into this Amendment.
5. The Parties agree to delete the first sentence of Section 1.1 of Attachment 6 and replace with the following:

BellSouth shall provide Sprint with nondiscriminatory access to BellSouth's operation support systems on an unbundled basis, in accordance with section 251(c)(3) of the Act and the FCC Rules. Operations support system functions consist of pre-ordering, ordering, provisioning, maintenance and repair, and billing functions supported by BellSouth's databases and information. BellSouth, as part of its duty to provide access to the pre-ordering function, shall provide, at a minimum, Sprint with nondiscriminatory access to the same detailed information about the loop that is available to BellSouth.

6. All of the other provisions of the Agreement dated January 1, 2001 shall remain unchanged and in full force and effect.
7. Either or both of the Parties are authorized to submit this Amendment to the respective state regulatory authorities for approval subject to Section 252(e) of the Federal Telecommunications Act of 1996.

Signature Page

IN WITNESS WHEREOF, the Parties have executed this Agreement the day and year written below.

BellSouth Telecommunications, Inc.By: Kristen E. ShoreName: Kristen E. ShoreTitle: DirectorDate: 4/27/06**Sprint Communications Company
Limited Partnership**By: Virgil A. StitesName: Virgil A. StitesTitle: V.P. - Access ManagementDate: April 26, 2006**Sprint Spectrum L. P.**By: Virgil A. StitesName: Virgil A. StitesTitle: V.P. - Access ManagementDate: Apr. 196, 2006

TRRO Amendment

[CCCS Amendment 3 of 293]

CCCS 875 of 1169

[CCCS Amendment 3 of 293]

Attachment 2

Network Elements and Other Services

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ACCESS TO NETWORK ELEMENTS AND OTHER SERVICES**1 Introduction**

- 1.1 This Attachment is subject to the General Terms and Conditions of this Agreement and sets forth rates, terms and conditions for unbundled network elements (Network Elements) and combinations of Network Elements (Combinations) that BellSouth offers to Sprint for Sprint's provision of Telecommunications Services. BellSouth shall offer Sprint access to Network Elements and Combinations in accordance with its obligations under Section 251(c)(3) of the Act and the orders, rules and regulations promulgated thereunder by the FCC(47 C.F.R. Part 51) and the Commission as interpreted by a court of competent jurisdiction. Additionally, this Attachment sets forth the rates, terms and conditions for other facilities and services BellSouth makes available to Sprint (Other Services). Additionally, the provision of a particular Network Element or Other Service may require Sprint to purchase other Network Elements or services. In the event of a conflict between this Attachment and any other section or provision of this Agreement, the provisions of this Attachment shall control.
- 1.2 The rates for each Network Element, Combinations and Other Services are set forth in Exhibits A and B. Where a Commission has adopted rates for network elements or services provided pursuant to this Attachment as of the Effective Date of the Amendment, it is the intent of the Parties that the rate exhibits incorporated into this Agreement will be those Commission adopted rates. If no rate is identified in this Agreement, the rate will be as set forth in the applicable BellSouth tariff or as negotiated by the Parties upon request by either Party. If Sprint purchases service(s) from a tariff, all terms and conditions and rates as set forth in such tariff shall apply. A one-month minimum billing period shall apply to all Network Elements, Combinations and Other Services.
- 1.3 Sprint may purchase and use Network Elements and Other Services from BellSouth in accordance with 47 C.F.R § 51.309.
- 1.4 The Parties shall comply with the requirements as set forth in the technical references within this Attachment 2.
- 1.5 Sprint shall not obtain a Network Element for the exclusive provision of mobile wireless services or interexchange services.
- 1.6 Conversion of Wholesale Services to Network Elements or Network Elements to Wholesale Services. Upon request, BellSouth shall convert a wholesale service, or group of wholesale services, to the equivalent Network Element or Combination that is available to Sprint pursuant to Section 251 of the Act and under this Agreement or convert a Network Element or Combination that is available to Sprint pursuant to Section 251 of the Act and under this Agreement to an

equivalent wholesale service or group of wholesale services offered by BellSouth (collectively "Conversion"). BellSouth shall charge the applicable nonrecurring switch-as-is rates for Conversions to specific Network Elements or Combinations found in Exhibit A. BellSouth shall also charge the same nonrecurring switch-as-is rates when converting from Network Elements or Combinations. Any rate change resulting from the Conversion will be effective as of the next billing cycle following BellSouth's receipt of a complete and accurate Conversion request from Sprint. A Conversion shall be considered termination for purposes of any volume and/or term commitments and/or grandfathered status between Sprint and BellSouth. Any change from a wholesale service/group of wholesale services to a Network Element/Combination, or from a Network Element/Combination to a wholesale service/group of wholesale services, that requires a physical rearrangement will not be considered to be a Conversion for purposes of this Agreement. BellSouth will not require physical rearrangements if the Conversion can be completed through record changes only. Orders for Conversions will be handled in accordance with the guidelines set forth in the Ordering Guidelines and Processes and CLEC Information Packages as referenced in Sections 1.13.1 and 1.13.2 below.

- 1.7 Except to the extent expressly provided otherwise in this Attachment, Sprint may not maintain unbundled network elements or combinations of unbundled network elements, that are no longer offered pursuant to this Agreement (collectively "Arrangements"). In the event BellSouth determines that Sprint has in place any Arrangements after the Effective Date of this Agreement, BellSouth will provide Sprint with thirty (30) days written notice to disconnect or convert such Arrangements and such conversion will be in accordance with Section 1.6 to the extent the conversion constitutes a Conversion pursuant to Section 1.6. If Sprint fails to submit orders to disconnect or convert such Arrangements within such thirty (30) day period of receiving such notice, BellSouth will transition such circuits to the equivalent tariffed BellSouth service(s). Those circuits identified and transitioned by BellSouth pursuant to this Section 1.7 shall be subject to all applicable disconnect charges as set forth in this Agreement and the full nonrecurring charges for installation of the equivalent tariffed BellSouth service as set forth in BellSouth's tariffs. The applicable recurring tariff charge shall apply to each circuit as of the Effective Date of this Amendment.
- 1.8 Prior to submitting an order pursuant to this Agreement for high capacity (DS1 or above) Dedicated Transport or high capacity Loops, Sprint shall undertake a reasonably diligent inquiry to determine whether Sprint is entitled to unbundled access to such Network Elements in accordance with the terms of this Agreement. By submitting any such order, Sprint self-certifies that to the best of Sprint's knowledge, the high capacity Dedicated Transport or high capacity Loop requested is available as a Network Element pursuant to this Agreement. Upon receiving such order, BellSouth shall process the request in reliance upon Sprint's self-certification. To the extent BellSouth believes that such request does not comply with the terms of this Agreement, BellSouth shall seek dispute resolution

in accordance with the General Terms and Conditions of this Agreement. In the event such dispute is resolved in BellSouth's favor, BellSouth shall bill Sprint the difference between the rates for such circuits pursuant to this Agreement and the applicable nonrecurring and recurring charges for the equivalent tariffed service from the date of installation to the date the circuit is transitioned to the equivalent tariffed service. Within thirty (30) days following a decision finding in BellSouth's favor, Sprint shall submit a spreadsheet identifying those non-compliant circuits that Sprint ordered pursuant to self-certification to be transitioned to tariffed services or disconnected.

- 1.9 Sprint may utilize Network Elements and Other Services to provide services in accordance with this Agreement, as long as such services are consistent with industry standards and applicable BellSouth Technical References.
- 1.10 BellSouth will perform Routine Network Modifications (RNM) in accordance with FCC 47 C.F.R. § 51.319 (a)(7) and (e)(4) for Loops and Dedicated Transport provided under this Attachment. If BellSouth performs such RNMs during normal operations and has recovered the costs for performing such modifications through the rates set forth in Exhibit A, then BellSouth shall perform such RNM at no additional charge. RNM shall be performed within the intervals established for the Network Element and subject to the performance measurements and associated remedies set forth in Attachment 9 of this Agreement to the extent such RNM were anticipated in the setting of such intervals. If BellSouth has not recovered the costs of such RNM in the rates set forth in Exhibit A, then such request will be handled as a project on an individual case basis. BellSouth will provide a price quote for the request and, upon receipt of payment from Sprint, BellSouth shall perform the RNM.
- 1.11 Commingling of Services
- 1.11.1 Commingling means the connecting, attaching, or otherwise linking of a Network Element, or a Combination, to one or more Telecommunications Services or facilities that Sprint has obtained at wholesale from BellSouth, or the combining of a Network Element or Combination with one or more such wholesale Telecommunications Services or facilities. Sprint must comply with all rates, terms or conditions applicable to such wholesale Telecommunications Services or facilities.
- 1.11.2 Subject to the limitations set forth elsewhere in this Attachment, BellSouth shall not deny access to a Network Element or a Combination on the grounds that one or more of the elements: 1) is connected to, attached to, linked to, or combined with such a facility or service obtained from BellSouth; or 2) shares part of BellSouth's network with access services or inputs for mobile wireless services and/or interexchange services.

Exhibit 1
Attachment 2
Page 6

- 1.11.3 Unless otherwise agreed to by the Parties, the Network Element portion of a commingled circuit will be billed at the rates set forth in this Agreement and the remainder of the circuit or service will be billed in accordance with BellSouth's tariffed rates or rates set forth in a separate agreement between the Parties.
- 1.11.4 When multiplexing equipment is attached to a commingled circuit, the multiplexing equipment will be billed from the same agreement or tariff as the higher bandwidth circuit. Central Office Channel Interfaces (COCI) will be billed from the same agreement or tariff as the lower bandwidth circuit.
- 1.11.5 Notwithstanding any other provision of this Agreement, BellSouth shall not be obligated to commingle or combine Network Elements or Combinations with any service, network element or other offering that it is obligated to make available only pursuant to Section 271 of the Act.
- 1.12 Terms and conditions for order cancellation charges and Service Date Advancement Charges will apply in accordance with Attachment 6 and are incorporated herein by this reference. The charges shall be as set forth in Exhibit A.
- 1.13 Ordering Guidelines and Processes
- 1.13.1 For information regarding Ordering Guidelines and Processes for various Network Elements, Combinations and Other Services, Sprint should refer to the "Guides" section of the BellSouth Interconnection Web site, which is incorporated herein by reference, as amended from time to time. The Web site address is:
<http://www.interconnection.bellsouth.com/>.
- 1.13.2 Additional information may also be found in the individual CLEC Information Packages, which are incorporated herein by reference, as amended from time to time, located at the "CLEC UNE Products" Web site address:
<http://www.interconnection.bellsouth.com/guides/html/unec.html>.
- 1.13.3 The provisioning of Network Elements, Combinations and Other Services to Sprint's Collocation Space will require cross-connections within the central office to connect the Network Element, Combinations or Other Services to the demarcation point associated with Sprint's Collocation Space. These cross-connections are separate components that are not considered a part of the Network Element, Combinations or Other Services and, thus, have a separate charge pursuant to this Agreement.
- 1.13.4 Testing/Trouble Reporting.
- 1.13.4.1 Sprint will be responsible for testing and isolating troubles on Network Elements. Sprint must test and isolate trouble to the BellSouth network before reporting the trouble to the UNE Customer Wholesale Interconnection Network Services (CWINS) Center. Upon request from BellSouth at the time of the trouble report,

Exhibit 1
Attachment 2
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Sprint will be required to provide the results of the Sprint test which indicate a problem on the BellSouth network.

- 1.13.4.2 Once Sprint has isolated a trouble to the BellSouth network, and has issued a trouble report to BellSouth, BellSouth will take the actions necessary to repair the Network Element when trouble is found. BellSouth will repair its network facilities to its wholesale customers in the same time frames that BellSouth repairs similar services to its retail End Users.
- 1.13.4.3 If Sprint reports a trouble on a BellSouth Network Element and no trouble is found in BellSouth's network, BellSouth will charge Sprint a Maintenance of Service Charge for any dispatching and testing (both inside and outside the CO) required by BellSouth in order to confirm the Network Element's working status. BellSouth will assess the applicable Maintenance of Service rates from BellSouth's FCC No.1 Tariff, Section 13.3.1. The Parties disagree on the appropriate basis (i.e., TELRIC or Access Tariff) for rates in this Section 1.13.4.3 and reserve the right to pursue resolution of this issue through the appropriate forum.
- 1.13.4.4 In the event BellSouth must dispatch to the End User's location more than once due to incorrect or incomplete information provided by Sprint (e.g., incomplete address, incorrect contact name/number, etc.), BellSouth will bill Sprint for each additional dispatch required to repair the Network Element due to the incorrect/incomplete information provided. BellSouth will assess the applicable Maintenance of Service rates from BellSouth's FCC No.1 Tariff, Section 13.3.1. The Parties disagree on the appropriate basis (i.e., TELRIC or Access Tariff) for rates in this Section 1.13.4.4 and reserve the right to pursue resolution of this issue through the appropriate forum.

2 Loops

- 2.1 General. The local loop Network Element is defined as a transmission facility that BellSouth provides pursuant to this Attachment between a distribution frame (or its equivalent) in BellSouth's central office and the loop demarcation point at an End User premises (Loop). Facilities that do not terminate at a demarcation point at an End User premises, including, by way of example, but not limited to, facilities that terminate to another carrier's switch or premises, a cell site, Mobile Switching Center or base station, do not constitute local Loops. The Loop Network Element includes all features, functions, and capabilities of the transmission facilities, including the network interface device, and attached electronics (except those used for the provision of advanced services, such as Digital Subscriber Line Access Multiplexers (DSLAMs)), optronics and intermediate devices (including repeaters and load coils) used to establish the transmission path to the End User's premises, including inside wire owned or controlled by BellSouth. Sprint shall purchase the entire bandwidth of the Loop and, except as required herein or as otherwise agreed to by the Parties, BellSouth shall not subdivide the frequency of the Loop.

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND) CERTIFICATE OF SERVICE

The undersigned, Nyla M. Laney, hereby certifies that she is employed by the Legal Department for AT&T South Carolina (“AT&T”) and that she has caused AT&T South Carolina’s Direct Testimony of P. L. (Scot) Ferguson in Docket Nos. 2007-255-C and 2007-256-C to be served upon the following on October 30, 2007.

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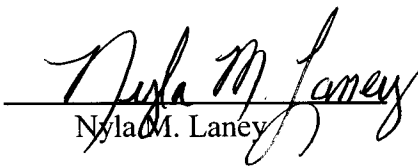
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